

April 30, 2002

TO: Dottie Kingsley

FROM: Howard W. Bell, Jr.

RE: Update Report

As of today Track 2 of the Pell-IRS study is proceeding well. I have attached an updated version of the file "Best Practice Rsrch Pln-rev1.xls" that contains the workplan for Track 2 of the Pell-IRS project. As reflected in this document, during the past thirty days the following has been accomplished:

- 1) Have identified all of the Department of Education contacts that appear to be needed to pursue the Pell-IRS project.
 - a) While additional contact names may be identified in future, discussions at the bi-weekly Pell Team meetings indicate that all of the needed contacts within the Department of Education have been identified.
 - b) With the exception of Linda Paulsen, Brian Fitzgerald, and Pat Howard contact has been made with all of the identified Department of Education contacts.
 - i) See the attached worksheet "Ed" within the file "Pell-IRS Study Contacts-annot.xls" for information on the status of each contact.
 - ii) Linda Paulsen has responded by email that she will be available to talk tomorrow, May 1.
 - iii) Jeremy Cox has asked me to call him back on May 1.
 - iv) Pat Howard is the local OIG contact given by Sherri Demmel. A message was left for Mr. Howard today.
 - c) The workplan goal was for discussions with the Department of Education contacts to have been completed by the end of last week. While this deadline has not been met, we are ahead of schedule with the interviews of Researchers and contacts at Government Agencies and Financial Institutions.
- 2) Have identified a set of contacts at organizations external to the Department of Education who may have information about the Best Practices for preventing and reducing errors in income-based programs. The contact categories are:
 - a) Government Agencies

- i) Have identified contacts at each of the twelve government agencies for which a contact is desired except the Social Security and Veterans Administration.
 - ii) The workplan goal is for discussions with these contacts to occur in late May and early June.
 - iii) Thus far I have spoken with contacts at three of the agencies.
 - iv) See the attached worksheet “External” in the file “Pell-IRS Study Contacts-annot.xls” for information on the status of each contact at a government agency.
- b) Associations
 - i) Have identified contacts at six associations and one non-profit, non-association organization.
 - ii) The workplan goal is for discussions with these contacts to occur in June.
- c) Financial Institutions
 - i) Have identified contacts at six financial institutions.
 - ii) I have spoken with one of these contacts. I have also received information that we do not need to speak with one of the other contacts.
 - iii) The workplan goal is for discussions with the Financial Institution contacts to occur in late June and early July.
- d) Schools – QA and non-QA schools
 - i) Have identified contacts at four Quality Assurance (QA) Schools and three non-QA Schools.
 - ii) Interviews have been arranged with all of the QA School contacts. These interviews began today with an excellent interview with Leslie Bridson at Boston University. Amanda Wingo, Kasia Kozaczuk, and Shannon Blumer attended this interview. The last interview is scheduled to occur on May 14th.
 - iii) Interviews have been arranged with two of the three non-QA School contacts. These interviews will begin on Monday May 6th. The last interview will occur on May 13th.
 - iv) The workplan goal is for interviews with the contacts at the schools to be completed by the end of this week. While this goal will not be met, we are

ahead of schedule with the interviews of Researchers and contacts at Government Agencies and Financial Institutions.

- v) See the attached worksheet “External” in the file “Pell-IRS Study Contacts-annot.xls” for information on the status of each contact at a school.
- e) Researchers
 - i) Have identified seven research contacts and have telephone numbers for five of them.
 - ii) Have spoken with four of the five researchers.
 - iii) The workplan goal is for discussions with the researcher contacts to be completed by May 17th.
 - iv) See the attached worksheet “External” in the file “Pell-IRS Study Contacts-annot.xls” for information on the status of contacts with researchers.
- 3) Have completed an initial review of the current processes in place at FSA to prevent and detect errors in the Title IV program especially the Pell program.
 - a) At my request, Kasia Kozaczuk prepared the flow chart that I gave you earlier this month. This flow chart delineates the steps involved in selecting individuals to be reviewed under the verification process.
 - b) After discussing this flow chart with Joe Willey and Shannon Blumer, they volunteered to revise it based on their discussions with Teri and Pedro at Macro.
 - c) The workplan goal was for a summary report to be completed on Baseline FSA practices by the end of last week. Current indications are that it may be at least another week before this task is accomplished.

Attachments

Cc: Joseph Willey